Approved For Release 2005/06/13 : CIA-RDP66B00403R0001002100214 oing telegram Department of State SHOWE: COLLECT C sharge to LIMITED OFFICIAL USE 58 ACTION: Amembassy KATMANDU 157 Origin NEW DELHI NEA INFO: Amconsul HONG KONG 782 Smfan Amembassy LONDON 4671 SS KARACHI (POUCH) G CINCSTRIKE/CINCMEAFSA (POUCH) SP L JOINT STATE-DEFENSE H Text as released to press of Secretary McNamara's January 27 statement SAL 2-URR EUR on 1965 defense budget to House Armed Services Committee erroneously FE AID indicated that Nepal was receiving military assistance, including arms and P ammunition, from Communist China. Cause of mistake was inadvertent dropping)-NE USTA INR. of two lines from text when reproduced for release to press. CIA NSA DOD released corrected text of part dealing with Nepal January 30. OSD ARMY Corrected text reads as follows with omitted lines underscored: NAVY ATR Quote The Chinese Communists also pose a grave threat to Nepal NIC and could easily overrun that country with their forces now in Tibet. More probably, in our opinion, the Chinese Communists' aim is to infiltrate and subvert Nepal. They have provided the Nepalese both economic and military assistance, although the latter has been confined to a few radio sets and cloth for uniforms. The Nepalese have reportedly rejected other military assistance, including arms and ammunition.

Telegraphic transmission and NEA - James P. Grant NEA: SOA: DKux: dln 1/30/64 classification approved by:

DOD/ISA - Col. Miller NEA/P - Mr. Billings

(substance) SOA - Mr. Cameron (substance) FE - Mr. Dean

We recognize the desirability of Nepal having an internal security capability.

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which we estimate can be achieved with their existing army, provided it

receives at least a small amount of external assistance. Unquote.

ONLY" OR "UNCLASSIFIED"

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If press stories based on incorrect text appear, Embassy Belli and Katmandu should refer newsmen to corrected version. Embassies should also inform GOI and GON.

END

RUSK

NOTE: Pouched by OCT

19. Hd 2 T & LAW,